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Subject: RE: FCA Clips 1/12/17

Below: AP (updated), AFP via (Yahoo), Financial Times (2), Reuters (updated), Bloomberg (updated), New York Times, Automotive News, Detroit Free Press, CNN Money, Reuters, Washington Post, Financial Times, USA Today, CNBC, AP, AP

AP

http://bigstory.ap.org/article/30c07ba9ae5a47c3ab09de68ccbd3bf/ap-sources-us-allege-fiat-chrysler-cheated-emissions?utm_campaign=SocialFlow&utm_source=Twitter&utm_medium=APBusiness

US gov't accuses Fiat Chrysler of cheating on emissions

By Tom Krisher and Michael Biesecker 1/12/17 11:45 AM EST

WASHINGTON (AP) -- The U.S. government is accusing Fiat Chrysler of failing to disclose software in some of its pickups and SUVs with diesel engines that allows them to emit more pollution than allowed under the Clean Air Act.

The Environmental Protection Agency said Thursday it had issued a "notice of violation" to the company that covers about 104,000 vehicles including the 2014 through 2016 Jeep Grand Cherokee and Ram pickups, all with 3-liter diesel engines. The California Air Resources Board took similar action.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law, which can result in harmful pollution in the air we breathe," said Cynthia Giles, EPA assistant administrator for enforcement and compliance.

Fiat Chrysler quickly issued a statement denying any wrongdoing.

EPA said it will continue to investigate the "nature and impact" of the eight software functions identified through its testing. Regulators were not yet defining the software as so-called "defeat devices" intended to cheat on government emissions tests. However, the agency said that numerous discussions with Fiat Chrysler over the last year had not produced any suitable explanation for why the company had failed to disclose the software, which regulators said caused the vehicles to emit less pollution during testing than during regular driving.

EPA officials said Fiat Chrysler may be liable for civil penalties for the alleged violations of the Clean Air Act. The EPA is investigating whether the auxiliary emission control devices constitute "defeat devices," which are illegal because they turn off pollution controls.

"This is a clear and serious violation of the Clean Air Act," Giles said. "When companies break the law, Americans depend on EPA to step in and enforce."

Fiat Chrysler said in a statement that its emissions control systems "meet the applicable requirements."

The company said it was disappointed with the EPA's action and intends to work with the incoming Trump administration to present its case. Fiat Chrysler said it spent months giving information to the EPA to explain its emissions technology and proposed a number of actions including software changes to address the agency's concerns.

Fiat Chrysler's shares fell more than 16 percent after the news was announced to \$9.29.

The announcement comes one day after Fiat rival Volkswagen pleaded guilty in federal court to criminal charges related to widespread cheating involving emissions tests with its "Clean Diesel" line of vehicles. Six high-ranking VW executives have been charged in the scandal. VW agreed to pay a record \$4.3 billion penalty for cheating on emissions tests.

AFP (via Yahoo)

https://www.yahoo.com/news/us-charges-fiat-chrysler-cheating-emissions-standards-161511923.html?utm_source=dlvr.it&utm_medium=twitter&ref=gs

US charges Fiat Chrysler with cheating emissions standards

1/12/17

Washington (AFP) - The United States on Thursday charged Fiat Chrysler with using software on its trucks to evade emissions standards on about 104,000 vehicles, an accusation the company immediately denied.

The Environmental Protection Agency said the undisclosed software on the 2014 to 2016 models of Grand Cherokees and Dodge Ram 1500 trucks sold in the United States allowed the vehicles to emit more nitrogen oxides than permitted.

Trading of FCA shares was briefly suspended on the New York Stock Exchange, after the share price had fallen over 16 percent just after the announcement. When it restarted it was down 14.5 percent around 1640 GMT. In Milan, the share price fell nearly 15 percent before trading was halted.

The company already is facing two class-action lawsuits over use of the defeat software.

However, FCA US said in a statement that emissions control systems on its vehicles meet all US requirements and "are not 'defeat devices.'" It said it looks forward to working with the "incoming administration" to resolve the matter.

President-elect Donald Trump Wednesday praised the company for its plans for new investment in the United States which will create 2,000 new jobs.

The EPA announcement about FCA comes a day after the government announced a final settlement of the criminal charges against German auto giant Volkswagen for using defeat technology in its diesel cars.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law," said Cynthia Giles from EPA's Office of Enforcement and Compliance Assurance.

"We continue to investigate the nature and impact of these devices. All automakers must play by the same rules, and we will continue to hold companies accountable," Giles said in a statement.

The EPA is working with the California Air Resources Board (CARB), which also is investigating FCA.

The company said in a statement it was disappointed with the EPA decision, and has provided evidence to the agency to prove "its emission control systems meet the applicable requirements."

"FCA US intends to work with the incoming administration to present its case and resolve this matter fairly and equitably and to assure the EPA and FCA US customers that the company's diesel-powered vehicles meet all applicable regulatory requirements."

VW on Wednesday agreed to plead guilty to three criminal charges and pay \$4.3 billion in civil and criminal fines for conspiracy and fraud in its emissions scandal. That was in addition to \$17.5 billion paid to consumers, dealers and to CARB for environmental cleanup.

Financial Times

<https://www.ft.com/content/0ca2ee81-239e-3d3c-8772-1e070e764db6>

Fiat Chrysler "disappointed" with US allegations over diesel emissions

By Jessica Dye 1/12/17

Fiat Chrysler said on Thursday that it is "disappointed" that US environmental regulators have accused it of violating clean air laws by failing to disclose emissions-control software in more than 100,000 vehicles.

The statement comes after the Environmental Protection Agency said it has issued a notice of violation to Fiat for alleged violations of the Clean Air Act, and that the company could be liable for civil penalties and injunctive relief if it is found to have violated the law. The software in question was installed on model year 2014, 2015 and 2016 Jeep Grand Cherokees and Dodge Ram 1500 trucks with 3.0-liter diesel engines sold in the US.

Cynthia Giles, assistant administrator of the EPA's office of enforcement and compliance assurance, said the agency was investigating whether the emissions-control devices in the vehicle were illegal "defeat devices" meant to evade emissions testing. Fiat has thus far failed to provide a "viable explanation" of how the devices conform with the law, Ms Giles said in a call with reporters.

Fiat said in a statement:

FCA US intends to work with the incoming administration to present its case and resolve this matter fairly and equitably and to assure the EPA and FCA US customers that the company's diesel-powered vehicles meet all applicable regulatory requirements...FCA US looks forward to the opportunity to meet with the EPA's enforcement division and representatives of the new administration to demonstrate that FCA US's emissions control strategies are properly justified and thus are not 'defeat devices' under applicable regulations and to resolve this matter expeditiously.

Fellow automaker Volkswagen this week agreed to pay \$4.3bn and plead guilty to resolve US criminal and civil charges over defeat devices it was accused of installing on thousands of "clean diesel" vehicles.

Shares in Fiat fell by as much as 17.8 per cent before they were halted for trading.

Financial Times

<https://www.ft.com/content/dc7794a0-d8e2-11e6-944b-e7eb37a6aa8e>

Fiat Chrysler accused by US regulator of emissions cheating

By Jessica Dye 1/12/17

Fiat Chrysler could be facing a fine of up to \$4.6bn after the Environmental Protection Agency accused the company of violating US emissions laws, the second time in a week that US regulators have targeted a global automaker after Wednesday's deal with Volkswagen to pay a \$4.3bn fine for deliberately evading diesel emissions laws.

Fiat's shares dropped 18 per cent after the EPA accused the carmaker of using software to evade diesel emissions tests. It said the violations covered roughly 104,000 vehicles and that Fiat "may be liable for civil penalties".

The EPA said the software in question was installed on model year 2014, 2015 and 2016 Jeep Grand Cherokees and Dodge Ram 1500 trucks with 3.0-litre diesel engines sold in the US.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law, which can result in harmful pollution in the air we breathe," said Cynthia Giles, assistant administrator for the EPA's Office of Enforcement and Compliance Assurance. "We continue to investigate the nature and impact of these devices. All automakers must play by the same rules, and we will continue to hold companies accountable that gain an unfair and illegal competitive advantage."

Fiat said it would work with the incoming US administration to present its case.

"FCA US looks forward to the opportunity to meet with the EPA's enforcement division and representatives of the new administration to demonstrate that FCA US's emissions control strategies are properly justified and thus are not 'defeat devices' under applicable regulations and to resolve this matter expeditiously," the carmaker said in a statement.

Volkswagen on Wednesday agreed to pay \$4.3bn and plead guilty to resolve civil and criminal charges over allegations that it installed software on thousands of "clean diesel" vehicles to dupe emissions testing.

The prices of Fiat Chrysler bonds fell. A €1.25bn senior unsecured bond maturing in 2024 is trading at 102 cents on the euro, down from close to 105 cents. This represents a yield of 3.4 per cent.

Reuters

<http://www.reuters.com/article/us-fiatchrysler-emissions-idUSKBN14W295?il=0>

EPA Accuses Fiat Chrysler of excess diesel emissions

By David Shepardson 1/12/17 11:26 AM

The U.S. Environmental Protection Agency on Thursday accused Fiat Chrysler Automobiles NV of using software that allowed excess diesel emissions in 104,000 U.S. trucks and SUVs sold since 2014, the result of a probe that stemmed from regulators' investigation of rival Volkswagen.

The EPA and California Air Resources Board told the automaker it believes its undeclared auxiliary emissions control software allowed vehicles to generate excess pollution in violation of the law.

FCA said in a statement on Thursday that it is "disappointed" with the EPA assertions. It also said that its "diesel-powered vehicles meet all applicable regulatory requirements.

FCA said will prove to the EPA that its emissions controls are "properly justified and thus are not 'defeat devices' under applicable regulations."

Regulators said the company failed to disclose engine management software in 104,000 U.S. 2014-2016 Jeep Grand Cherokees and Dodge Ram 1500 trucks with 3.0-liter diesel engines. The undisclosed software results in increased emissions of nitrogen oxides (NOx) from the vehicles. EPA is still investigating if the software constitutes a "defeat device."

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law, which can result in harmful pollution in the air we breathe," said Cynthia Giles, an EPA official, in a statement.

California Air Resource Board chair Mary Nichols said, "Once again, a major automaker made the business decision to skirt the rules and got caught."

FCA's Milan-listed shares erased more than one tenth of their value in just 20 minutes of trading after the news. The stock was automatically suspended several times was last down 16 percent, weighing on the auto sector and wider European stock markets.

U.S.-listed shares were halted, also down 16 percent.

The EPA announcement comes amid rising scrutiny by EPA of automaker emissions after Volkswagen AG admitted to cheating diesel emissions tests in 580,000 U.S. vehicles.

The EPA has for months declined to certify Fiat Chrysler's 2017 diesel vehicles for sale in the United States, but the automaker has continued to sell 2016 diesel models.

In September 2015, EPA said it would review all U.S. diesel vehicles following an admission from Volkswagen that it installed software in cars allowing them to emit up to 40 times legally permissible level of pollution.

On Wednesday, VW agreed to pay \$4.3 billion in criminal and civil fines and plead guilty to three felonies for misleading regulators and selling polluting vehicles.

The EPA has extensively investigated the vehicles and Fiat Chrysler has turned over significant documents as part of the probe, two people briefed on the matter said.

Fiat Chrysler could face fines of about \$44,000 per vehicle if it is proven that it violated emissions rules.

Bloomberg

https://www.bloomberg.com/news/articles/2017-01-12/fiat-chrysler-plunges-on-report-epa-to-allege-emissions-cheating?utm_content=tech&utm_campaign=socialflow-organic&utm_source=twitter&utm_medium=social&cmpid%3D=socialflow-twitter-tech

Fiat Chrysler Accused by EPA of Emissions Cheat; Shares Fall

By Jamie Butters and Ryan Beene 1/12/17 11:20AM

Fiat Chrysler Automobiles NV was accused by the U.S. government of using software that allowed excess diesel emissions in about 104,000 vehicles. The company's shares plummeted, leading to a trading halt.

The Environmental Protection Agency alleges Fiat Chrysler violated the Clean Air Act by installing and failing to disclose the software in Jeep Grand Cherokee sport utility vehicles and Ram 1500 pickups sold in the U.S., according to a statement. Fiat Chrysler defended its systems as legal.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law, which can result in harmful pollution in the air we breathe," Cynthia Giles, assistant administrator for EPA's Office of Enforcement and Compliance Assurance, said in the agency's statement. "We continue to investigate the nature and impact of these devices."

Fiat Chrysler fell as much as 18 percent, the biggest intraday drop since the shares began trading in October 2014. The stock declined 16 percent to \$9.30 as of 11:04 a.m. before being halted in New York trading.

Fiat Chrysler "intends to work with the incoming administration to present its case and resolve this matter fairly and equitably," the automaker said in a statement Thursday. "The company's diesel-powered vehicles meet all applicable regulatory requirements."

The EPA issued notice of Fiat Chrysler's alleged wrongdoing one day after Volkswagen AG agreed to a \$4.3 billion settlement with U.S. authorities and plead guilty to an diesel emissions-cheating scandal that dates back to September 2015. The agreement reached Wednesday pushes VW's costs to about 20.5 billion euros (\$21.9 billion).

New York Times

<https://www.nytimes.com/2017/01/12/business/epa-emissions-cheating-diesel-fiat-chrysler-jeep-dodge.html>

E.P.A. Accuses Fiat Chrysler of Secretly Exceeding Emissions Standards

By Hiroko Tabuchi 1/12/17

The Environmental Protection Agency on Thursday accused Fiat Chrysler of using secret software that allowed illegal excess emissions from at least 104,000 diesel vehicles.

Affected models include the light-duty model year 2014, 2015 and 2016 Jeep Grand Cherokees and Dodge Ram 1500 trucks with 3-liter diesel engines sold in the United States, the agency said.

The software resulted in excess emissions of nitrogen oxides, which have harmful health effects, from the vehicles, the agency said.

The excess in emissions "threatens public health by polluting the air we breathe," said Cynthia Giles, an assistant administrator at the E.P.A.

While Ms. Giles stopped short of calling the software "defeat devices," which Volkswagen used to cheat on diesel emissions tests, she said, "There is no doubt that they are contributing to illegal pollution."

Fiat Chrysler was not immediately available for comment.

Volkswagen has been engulfed in a scandal about cheating on emissions tests. Many of the company's 600,000 cars in the United States that are equipped with emissions-cheating software were imported from Germany or Mexico.

Automotive News

<http://www.autonews.com/article/20170112/OEM11/170119905/fiat-chrysler-accused-by-epa-of-excess-diesel-emissions-report-says>

Fiat Chrysler accused by EPA of excess diesel emissions

From Staff and wire reports 1/12/17, 10:38 AM

WASHINGTON -- The EPA has accused Fiat Chrysler Automobiles of using software that allowed excess diesel emissions in just over 104,000 U.S. pickups and SUVs sold since 2014.

The EPA and California Air Resources Board told the automaker they believe its auxiliary emissions control software allowed vehicles to generate excess pollution in violation of the law.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law," said Cynthia Giles, assistant administrator for EPA's office of enforcement and compliance assurance, in a statement. "We continue to investigate the nature and impact of these devices. All automakers must play by the same rules, and we will continue to hold companies accountable that gain an unfair and illegal competitive advantage."

California Air Resource Board Chairman Mary Nichols said, "Once again, a major automaker made the business decision to skirt the rules and got caught."

FCA responded soon afterward, saying in a statement: "FCA US is disappointed that the EPA has chosen to issue a notice of violation with respect to the emissions control technology employed in the company's 2014-16 model-year light-duty 3.0-liter diesel engines. FCA US intends to work with the incoming administration to present its case and resolve this matter fairly and equitably and to assure the EPA and FCA US customers that the company's diesel-powered vehicles meet all applicable regulatory requirements."

An automaker can use an auxiliary emissions control device in limited circumstances to protect the engine from damage, but it must be declared to regulators.

FCA's U.S.-listed shares fell 16 percent to \$9.30 as of 11:04 a.m. ET.

The EPA's announcement comes amid rising scrutiny by the agency of automaker emissions after Volkswagen AG admitted to cheating diesel emissions tests in 580,000 U.S. vehicles.

The EPA has for months declined to certify Fiat Chrysler's 2017 diesel vehicles for sale in the United States, but the automaker has continued to sell 2016 diesel models.

In September 2015, EPA said it would review all U.S. diesel vehicles following an admission from Volkswagen that it installed software in cars allowing them to emit up to 40 times legally permissible level of pollution.

On Wednesday, VW agreed to pay \$4.3 billion in criminal and civil fines and plead guilty to three felonies for misleading regulators and selling polluting vehicles.

The EPA has extensively investigated the vehicles and Fiat Chrysler has turned over significant documents as part of the probe, two people briefed on the matter said.

FCA could face fines of up to \$37,500 per vehicle if it is proven that it violated emissions rules. The probe covers FCA's diesel trucks and SUVs from the 2014-16 model years

Detroit Free Press

<http://www.freep.com/story/money/cars/chrysler/2017/01/12/fiat-chrysler-cheating-emissions/96486440/>

EPA to accuse Fiat Chrysler of cheating on emissions

By Brent Snively 1/12/17 11:13 AM EST

FCA boasted about the Ram 1500 EcoDiesel's leading fuel economy when it was introduced in 2014 and again in 2015 when it increased the trucks's fuel economy

The U.S. Environmental Protection Agency on Thursday accuse Fiat Chrysler Automobiles of cheating on its diesel emissions software to get better fuel economy for the Ram 1500 EcoDiesel pickup and other vehicles, according to several media reports.

The EPA said it has notified FCA that it sold the software on more than 104,000 Jeep Grand Cherokee SUVs and Ram 1500 EcoDiesel pickups.

Fiat Chrysler's shares plunged 10.4% at 10:37 a.m. to \$9.94 on the New York Stock Exchange and trading of the stock has since been halted.

"This is a clear and serious violation of the Clean Air Act," the EPA said today. "Some of the devices appear to cause the vehicle to perform differently when being tested and when in use."

The investigation comes on the heels of an investigation into civil and criminal investigations into Volkswagen for creating software to cheat on emissions tests.

The EPA has the authority to fine automakers up to \$37,500 per vehicle for violations of the Clean Air Act, meaning the scandal could cost Fiat Chrysler about \$3.75 billion in civil penalties.

FCA boasted about the fuel economy of the Ram 1500 EcoDiesel in 2015 when it unveiled the the pickup in 2014, saying it was been certified at 28 miles per gallon on the highway, making it the most fuel-efficient half-ton pickup on the market

CNN Money

<http://money.cnn.com/2017/01/12/news/companies/epa-emissions-cheating-fiat-chrysler/index.html>

Fiat Chrysler cheated on diesel emissions EPA says

By Chris Isidore 1/12/17 11:23 AM EST

Environmental regulators accused automaker Fiat Chrysler of installing software on 100,000 diesel-powered cars and trucks in order to cheat emissions tests.

The accusation from the U.S. Environmental Protection Agency and the California Air Resources Board (CARB) is similar to the scandal that has plagued automaker Volkswagen for more than a year. Just this week, Volkswagen agreed to pay \$4.3 billion to settle charges it cheated on diesel emissions tests with more than 590,000 diesel-powered U.S. cars. The Justice Department also indicted six executives of Volkswagen Wednesday.

"This is a clear and serious violation of the Clean Air Act," said Cynthia Giles, assistant administrator for EPA. "When companies break the law, Americans depend on the EPA to step in and enforce."

"Once again, a major automaker made the business decision to skirt the rules and got caught," said CARB Chair Mary Nichols. "CARB and U.S. EPA made a commitment to enhanced testing as the Volkswagen case developed, and this is a result of that collaboration."

The vehicles cited include 2014, 2015 and 2016 model year Jeep Grand Cherokees SUVs and Dodge Ram 1500 trucks with 3-liter diesel engines.

Fiat Chrysler (FCAU) did not immediately respond to a request for comment. Its shares were down 18%.

Bloomberg (updated)

https://www.bloomberg.com/news/articles/2017-01-12/fiat-chrysler-plunges-on-report-epa-to-allege-emissions-cheating?cmpid=socialflow-twitter-business&utm_content=business&utm_campaign=socialflow-organic&utm_source=twitter&utm_medium=social

Fiat Chrysler Plunges on Report EPA to Allege Emissions Cheating

By Jamie Butters and Ryan Beene 1/12/17 10:39 AM EST

Fiat Chrysler Automobiles NV plunged the most intraday on record after Reuters reported that the U.S. government will accuse the company of using software that allowed excess diesel emissions in about 100,000 vehicles.

The agency issued a notice of violation to Fiat Chrysler for alleged violations of the Clean Air Act for installing and failing to disclose the software in 2014, 2015 and 2016 model year Jeep Grand Cherokees and Ram 1500 trucks with 3-liter diesel engines sold in the U.S.

Representatives for Fiat Chrysler didn't immediately respond to requests for comment.

Fiat Chrysler fell as much as 15 percent, the biggest intraday drop since they began trading in October 2014. The shares declined 14 percent to \$9.49 as of 10:49 a.m. in New York trading.

Reuters

<http://www.reuters.com/article/us-fiatchrysler-emissions-stocks-idUSKBN14W2BI?mod=related&channelName=domesticNews>

Fiat Chrysler shares tank on report of pending EPA action on emissions

By Agnieszka Flak 1/12/17 11:00AM

Fiat Chrysler shares slumped on Thursday after a Reuters report said the U.S. Environmental Protection Agency will accuse the group of using software that allowed excess diesel emissions in just over 100,000 U.S. trucks and SUVs sold since 2014.

The Milan-listed shares in the Italian car maker erased more than one tenth of their value in just 20 minutes of trading after the news broke. The stock was automatically suspended several times because of the heavy losses and was last down 13 percent.

The EPA will announce the findings at an 11 a.m. conference call, Reuters said in the source-based.

Fiat Chrysler declined to comment.

Washington Post

https://www.washingtonpost.com/news/innovations/wp/2017/01/12/epa-fiat-chrysler-used-software-to-cheat-on-emissions-tests/?utm_term=.f4c13a7dcac2

EPA: Fiat Chrysler used software to cheat on emissions tests

By Steven Overly 1/12/17 11:02 AM EST

The Environmental Protection Agency accused Fiat Chrysler Thursday of using software that enabled some of its diesel trucks to cheat on emissions tests.

The news caused Fiat Chrysler's stock price to drop more than 13 percent in trading Thursday morning. Fiat Chrysler did not immediately respond to requests for comment.

The vehicles involved were the 2014 to 2016 model year Dodge Ram 1500 pickup trucks and Jeep Grand Cherokees with 3.0-liter diesel engines. The allegations affect roughly 104,000 vehicles, EPA officials said.

The agency's move is similar to the initial steps it took at the start of the Volkswagen emissions scandal, which eventually lead to about \$20 billion in fines and the indictment of seven company executives over the course of the last year and a half. Federal prosecutors announced a settlement with German automaker Volkswagen over its own emissions scandal Wednesday .

Reuters

<http://www.reuters.com/article/us-fiatchrysler-emissions-idUSKBN14W295?il=0>

Exclusive: EPA to accuse Fiat Chrysler of excess diesel emissions – sources

By David Shepardson 1/12/17 11:00 AM

The U.S. Environmental Protection Agency on Thursday will accuse Fiat Chrysler Automobiles NV of using software that allowed excess diesel emissions in just over 100,000 U.S. trucks and SUVs sold since 2014, two sources briefed on the matter said.

The EPA told the automaker it believes its auxiliary emissions control software allowed vehicles to generate excess pollution in violation of the law. Fiat Chrysler declined to comment.

A person briefed on the matter said Fiat Chrysler does not agree with the EPA's assessment. An automaker can use an auxiliary emissions control device in limited circumstances to protect the engine from damage, but it must be declared to regulators.

Fiat Chrysler's U.S.-listed shares and Milan-listed shares were each down 14 percent on the news.

The EPA will announce the findings at an 11 a.m. ET conference call. It comes amid rising scrutiny by EPA of automaker emissions after Volkswagen AG admitted to cheating diesel emissions tests in 580,000 U.S. vehicles.

The EPA has for months declined to certify Fiat Chrysler's 2017 diesel vehicles for sale in the United States, but the automaker has continued to sell 2016 diesel models.

In September 2015, EPA said it would review all U.S. diesel vehicles following an admission from Volkswagen that it installed software in cars allowing them to emit up to 40 times legally permissible level of pollution.

On Wednesday, VW agreed to pay \$4.3 billion in criminal and civil fines and plead guilty to three felonies for misleading regulators and selling polluting vehicles.

The EPA has extensively investigated the vehicles and Fiat Chrysler has turned over significant documents as part of the probe, two people briefed on the matter said.

Fiat Chrysler could face fines of up to \$37,500 per vehicle if it is proven that it violated emissions rules.

The probe covers Fiat Chrysler diesel trucks and SUVs from the 2014-2016 model years.

Financial Times

<https://www.ft.com/content/3bf61aa0-dcb5-3058-8a62-1810471b0181>

Fiat Chrysler shares plunge as EPA said to ready diesel-emissions suit

By Jessica Dye 1/12/17 10:48 AM EST

Fiat Chrysler shares tumbled more than 13 per cent on Thursday following a report that US environmental regulators are preparing a lawsuit accusing it of using software to evade diesel-emissions testing.

Reuters reported that the imminent lawsuit from the US Environmental Protection Agency concerned software allegedly installed in approximately 100,000 vehicles. FCA was not immediately available for comment, while the EPA said it would make an announcement at 11 am today regarding a "major automaker".

The report comes just a day after fellow carmaker Volkswagen agreed to pay \$4.3bn and plead guilty to resolve US agencies' civil and criminal charges over allegations that it installed software on thousands of "clean diesel" vehicles to dupe emissions testing.

USA Today

<http://www.usatoday.com/story/money/cars/2017/01/12/fiat-chrysler-automobiles-epa-environmental-protection-agency/96485486/>

Reports: EPA to allege Fiat Chrysler cheated emissions laws like Volkswagen

By Nathan Bomey 1/12/17 10:46 AM EST

U.S. regulators plan to accuse Fiat Chrysler Automobiles of violating emissions standards in diesel vehicles, according to multiple reports, in an alleged scheme that bears similarity to the scandal that engulfed Volkswagen Group and cost the German automaker billions of dollars.

The Environmental Protection Agency is expected to say Thursday that Fiat Chrysler installed software on about 100,000 vehicles to cheat emissions standards, according to a Reuters report Thursday morning. The Associated Press also reported the EPA would accuse the Italian-American automaker of flouting pollution regulations.

Fiat Chrysler shares traded in New York plunged 10.4% at 10:37 a.m. to \$9.94.

The EPA has the authority to fine automakers up to \$37,500 per vehicle for violations of the Clean Air Act, meaning the scandal could cost Fiat Chrysler about \$3.75 billion in civil penalties.

Volkswagen admitted to cheating emissions laws on more than half a million vehicles and has since agreed to criminal and civil settlements totaling nearly \$22 billion. Six VW executives were charged Wednesday with allegedly weaving a conspiracy to dodge regulations while the company pled guilty to similar charges on a corporate level.

Spokespeople for the EPA and Fiat Chrysler did not immediately respond to requests seeking comment.

But the EPA said in a media advisory that it would "make an announcement regarding a major automaker" in a call with reporters at 11 a.m.

CNBC

<http://www.cnbc.com/2017/01/12/epa-to-accuse-fiat-chrysler-of-using-software-that-allowed-excess-diesel-emissions-in-about-100k-vehicles.html>

Fiat Chrysler shares plunge 15% after EPA reportedly to accuse automaker of using deceptive software

By Berkeley Lovelace Jr. 1/12/17

The United States Environmental Protection Agency will accuse Fiat Chrysler of using software that allowed excess diesel emissions in about 100,000 vehicles, according to Reuters.

US-listed shares of Fiat Chrysler plunged more than 15 percent Thursday after the report. CNBC has reached out to the EPA for comment.

The accusation is reportedly over U.S. trucks and SUVs sold since 2014, according to Reuters sources briefed on the matter. The sources said the EPA told the automaker it believes its undeclared emissions control software allowed vehicles to generate excess pollution in violation of the law.

The report comes after German automaker Volkswagen admitted to criminal offences in rigging U.S. emissions tests and agreed to pay \$4.3 billion in civil and criminal fines in a settlement with the U.S. Justice Department.

The automaker said it will contest the EPA's allegations and believes the vehicles meet the agency's standards, sources familiar with the automaker's response told CNBC.

EPA officials will hold a press conference on Thursday at 11 a.m. ET regarding the automaker.

AP

http://hosted.ap.org/dynamic/stories/U/US_FIAT_CHRYSLER_DIESEL_EMISSIONS?SITE=AP&SECTION=HOME&TEMPLATE=DEFAULT

AP Sources: US To Allege Fiat Chrysler Cheated on Emissions

1/12/17 10:35 AM

DETROIT (AP) -- Two people briefed on the matter say that the U.S. government is accusing Fiat Chrysler of violating the Clean Air Act on some of its diesel engines.

The Environmental Protection Agency has scheduled a news conference for Thursday morning to release details of the matter. The people briefed on the matter didn't want to be identified because the formal announcement hasn't been made.

The move comes one day after federal prosecutors announced that Volkswagen would plead guilty to criminal charges and pay a record \$4.3 billion penalty for cheating on emissions tests.

AP

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AP Sources: US to Accuse Fiat Chrysler of Violating Pollution Laws with Diesel Vehicles

1/12/17 10:30 AM

DETROIT (AP) -- AP Sources: US to accuse Fiat Chrysler of violating pollution laws with diesel vehicles.

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